1987 for location in any centrally declared backward areas and 24 non-Appendix I industries for location in category 'A' backward districts. Further, the MRTP Comapnies belonging to the category of dominant industrial undertakings falling under Section 20(b) only of the MRTP Act have been subjected to licensing policy restrictions for the products(s) in respect of which they are classified as dominant. In respect of other products, they will be treated on par with non-MRTP Companies for the purposes of industrial licensing.

Furnishing of accounts by public sector corporate entities

567. SHRI M. S. GURUPADASWAMY: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that several public sector corporate entities have failed to present accounts in the format precribed under section 211(5) of the Companies Act, 1956;

(b) whether these public sector corporate entities do not take recourse to the provisions under the Income Tax Act, 1961 and the Companies Act, 1956 while preparing their yearly Financial Statements; and

(c) if so, what steps have been taken to remedy these shortcomings?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): (a) Section 211(5) of the Companies Act, 1956 has not prescribed any format to present accounts of public sector corporate entities.

(b) No, Sir.

(c) Does not arise.

Sick industrial units in Karnataka

568. SHRI M. S. GURUPADASWAMY: Will the Minister of INDUSTRY be pleased to state:

(a) whether a large number of industries have fallen sick in Karnataka;

(b) if so, what are the names of those units which have fallen sick and what are the reasons for their sickness; and

(c) what steps have been taken for the revival of those units?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) Data on sick industrial units assisted by banks in the country are collected by the Reserve Bank of India as per the definition of sickness adopted by it. As per the latest information available from RBI, there were 43 large and 3077 small scale sick industries as at the end of December1986 in Karnataka.

(b) In accordance with the practices and usages customary among Bankers as also in conformity with the provisions of the statutes governing nationalised banks, it will not be possible to divulge the names of the sck units assisted by banks.

Generally, a number of causes, both internal and external, often operating in combination, have been responsible for industrial sickness. Some of the principal causes are faulty planning; management deficiencies, inefficient financial control, diversion of resources, inadequate attention to R&D, obsolesence of technology and machinery, poor industrial relations, inadequate demand, shortage of raw material and other inputs and infrastructural constraints.

(c) For revival of sick industrial units, Government of India have got a uniform policy for the whole country. Some of the important aspects are as follows:

(i) The Government have enacted a comprehensive legislation namely, "The Sick Industrial Companies (Special Provisions) Act, 1985". A quasi-judicial body designated as 'The Board for Industrial and Financial Reconstruction' (BIFR) has been set up under the Act to deal with the problems of sick industrial companies in an effective manner, which has become operational with effect from the 15th May, 1987.